

Steven L. Yarmy, Esq.
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*Attorney for the Debtors
and Debtors-in-Possession*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

NATIVE ENERGY FARMS, LLC,

Debtor,

Case No.: 14-13482-ABL

Chapter 11

Hearing Date: TBD

Hearing Time: TBD

Location: 300 Las Vegas Blvd South, 3rd
Floor, Courtroom 1, Las Vegas, Nevada

Judge: Honorable Judge August B. Landis

**DECLARATION OF STEVEN L. YARMY, ESQ. CERTIFYING VOTING
ON AND TABULATION OF BALLOTS ACCEPTING AND REJECTING
THE DEBTOR'S PREPACKAGED PLAN OF REORGANIZATION**

STEVEN L. YARMY, ESQ., deposes under penalty of perjury and states, to wit:

1. I am the attorney for the Debtor and Debtor in Possession and am authorized to make this declaration and unless otherwise indicated, I have personal knowledge of the facts set forth herein.

The Pre Packaged Plan and Pre-Solicitation of Votes Thereon

2. On March 7, 2014, the Debtor commenced the Solicitation of votes to accept or reject the Plan. Specifically, the Debtor caused the distribution of copies of the Disclosure Statement, the Plan and the Ballots (as defined below) (collectively, the "Solicitation Materials") to each person or entity (or to its applicable nominee) that was a holder of record (a "Holder") as of March 7, 2014 (the "Voting Record Date") as follows: (i) the SMI Unsecured Claims; (ii) the Global Guidance Unsecured Claims; (iii) the Equity Interests.

1 3. The Debtor established April 30, 2014 at 5:00 p.m., prevailing Pacific time, as the
2 deadline (the “Voting Deadline”) by which acceptances and rejections of the Plan needed to be
3 received (either physically or in pdf format via email or fax) by Steven L. Yarmy, Esq. (the “Voting
4 Agent and Debtor’s Counsel”) in order to be counted. The Debtor did not solicit votes to accept or
5 reject the Plan from Holders of Interests classified in Class 3, each of which was deemed to have
6 accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code because they are unimpaired.
7

8 4. The Holders of Claims or Interests entitled to vote to accept or reject the Plan pursuant
9 to the provisions of the Bankruptcy Code were (i) Holders of Class 1—SMI/ISC, (ii) Holders of Class
10 2—Global Guidance General Unsecured Claims.

11 5. On May 16, 2014, the undersigned Voting Agent prepared this Voting Declaration
12 confirming the results of the prefilling Solicitation. Specifically, 100% in amount and 100% in number
13 of Impaired Claims and Interests that were entitled to vote to accept or reject the Plan, voted to accept
14 the Plan.
15

16 **The Solicitation Procedures**

17 6. The solicitation complies with sections 1125(g) and 1126(b) of the Bankruptcy Code,
18 Bankruptcy Rules 3017(d) and (e) (that the debtor provided the impaired classes with the materials
19 required to be provided in connection with the solicitation and the procedures used in such solicitation
20 were adequate) and Bankruptcy Rule 3018(b) (that the solicitation period not be unreasonably short).
21 Based on the facts detailed above and as demonstrated below, the Debtor has complied with sections
22 1125(g) and 1126(b) of the Bankruptcy Code, and the Solicitation Period (as defined below) was
23 reasonable and complied with the terms of Bankruptcy Rule 3018(b) and the Solicitation Procedures
24 complied with the requirements of section 1125(g) and Bankruptcy Rules 3017(d) and (e).
25
26
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The Solicitation Complies with 11 U.S.C. §§ 1125(g) and 1126(b)

7. Sections 1125(g) and 1126(b) of the Bankruptcy Code govern the acceptance of a plan of reorganization by a holder of a claim or interest prior to the commencement of a chapter 11 case.

Section 1125(g) provides:

(a) Notwithstanding subsection (b), an acceptance or rejection of the plan may be solicited from a holder of a claim or interest if such solicitation complies with applicable nonbankruptcy law and if such holder was solicited before the commencement of the case in a manner complying with applicable nonbankruptcy law.

11 U.S.C. § 1125(g).

8. Section 1126(b) provides:

(b) For the purposes of subsections (c) and (d) of this section, a holder of a claim or interest that has accepted or rejected the plan before the commencement of the case under this title is deemed to have accepted or rejected such plan, as the case may be, if –

- (1) the solicitation of such acceptance or rejection was in compliance with any applicable nonbankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation; or
- (2) if there is not any such law, rule, or regulation, such acceptance or rejection was solicited after disclosure to such holder of adequate information, as defined in section 1125(a) of this title.

11 U.S.C. § 1126(b). The Debtor respectfully submits that the Solicitation Materials and the Solicitation Procedures satisfy sections 1125(g) and 1126(b) of the Bankruptcy Code.

9. The Debtor has complied with section 1126(b)(2) of the Bankruptcy Code. Section 1126(b)(2) provides that a debtor may only solicit acceptance or rejection of a plan prior to the

commencement of a chapter 11 proceeding after disclosure of “adequate information, as defined in section 1125(a) of this title.” 11 U.S.C. § 1126(b)(2). The Disclosure Statement, included in the Solicitation Materials and utilized to solicit acceptances and rejections of the Plan, contains adequate information and satisfies the requirements of section 1125(a).

Classes Entitled to Vote

10. In accordance with the Pre-packaged Plan and the Voting Procedures, only claim holders in Classes 1 and 2 were entitled to vote on the Plan.

11. SLY tabulated votes on the Plan in accordance with the tabulation rules in the Voting Procedures on each Ballot. As of the date and time of this Affidavit, SLY has received 2 ballots accepting the debtor’s plan. SLY did not receive any written objections or votes rejecting

12. In **Class 1**, SMI/ICS Corporation, **ACCEPTED the Plan**. See attached ballot. Secured Claim of \$1,298,000.00.

13. **Of the votes received in Class 1, 100% of Class accepted the Plan.**

14. In **Class 2**, GLOBAL GUIDANCE GROUP, LLC, **ACCEPTED the Plan**. See attached ballot. Unsecured Claim of \$30,000.00.

15. **Of the votes received in Class 2, 100% of Class accepted the Plan.**

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 16, 2014

/s/ Steven L. Yarmy

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Attorney for Debtor

BALLOTS

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**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA**

In re:)	Case No.:
)	
NATIVE ENERGY FARMS, LLC,)	Chapter 11
)	
	)	Hearing Date:
Debtors,	)	Hearing Time:
	)	Location: 300 Las Vegas Blvd South, 3rd
	)	Floor, Las Vegas, Nevada
	)	Judge: Not Yet Filed

**BALLOT FOR HOLDERS OF CLASS 1 CLAIM TO ACCEPT OR REJECT
PRE-PACKAGED CHAPTER 11 PLAN OF REORGANIZATION FOR
NATIVE ENERGY FARMS, LLC DATED MARCH 7, 2014**

On March 7, 2014, the above captioned-debtor (the "Debtor") commenced soliciting acceptances of its proposed pre-packaged Plan of Reorganization dated March 7, 2014 (the "Plan") and distributed a Disclosure Statement (the "Disclosure Statement") in connection with the Plan. Pursuant to the Plan, you have right to vote on whether to accept or reject the Plan.

You should review the Plan and the Disclosure Statement before you vote. You may wish to seek legal advice concerning the Plan and Disclosure Statement and your classification and treatment under the Plan and Disclosure Statement. Your claim has been place in Class [1] under the Plan and Disclosure Statement. If you hold claims or equity interests in more than one class, you will receive a ballot for each class in which you are entitled to vote.

If your Ballot is not received on or before 5:00 pm prevailing Pacific Time on April 30, 2014, and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote.

ACCEPTANCE OR REJECTION OF THE PLAN

The undersigned, **SMI/ISC CORPORATION**, the holder of a Class 1 claim against the Debtor, in the unpaid principal amount of \$ 1,298,000.00/100.

(Check one of the two boxes only)

☒ ACCEPTS THE PLAN

☐ REJECTS THE PLAN

Dated: April 16, 2014

SMI/ISC CORPORATION

Signature: Carrie Florter

Printed Name: CARRIE FLORTER

Title: President

Address: 4295 S FT APACHE #130

LAS VEGAS NV 89147

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Attorneys for the Debtors
And Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA

In re:	) Case No.:
NATIVE ENERGY FARMS, LLC,	) Chapter 11
Debtors,	) Hearing Date:
	) Hearing Time:
	) Location: 300 Las Vegas Blvd South, 3rd
	) Floor, Las Vegas, Nevada
	Judge: Not Yet Filed

**BALLOT FOR HOLDERS OF CLASS 2 CLAIM TO ACCEPT OR REJECT
PRE-PACKAGED CHAPTER 11 PLAN OF REORGANIZATION FOR
NATIVE ENERGY FARMS, LLC DATED MARCH 7, 2014**

On March 7, 2014, the above captioned-debtor (the "Debtor") commenced soliciting acceptances of its proposed pre-packaged Plan of Reorganization dated March 7, 2014 (the "Plan") and distributed a Disclosure Statement (the "Disclosure Statement") in connection with the Plan. Pursuant to the Plan, you have right to vote on whether to accept or reject the Plan.

You should review the Plan and the Disclosure Statement before you vote. You may wish to seek legal advice concerning the Plan and Disclosure Statement and your classification and treatment under the Plan and Disclosure Statement. Your claim has been place in Class [2] under the Plan and Disclosure Statement. If you hold claims or equity interests in more than one class, you will receive a ballot for each class in which you are entitled to vote.

If your Ballot is not received on or before 5:00 pm prevailing Pacific Time on April 30, 2014, and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote.

ACCEPTANCE OR REJECTION OF THE PLAN

The undersigned, **GLOBAL GUIDANCE GROUP, LLC**, the holder of a **Class 1** claim against the Debtor, in the unpaid principal amount of \$ 30,000.00.

(Check one of the two boxes only)

☒ **ACCEPTS THE PLAN**

☐ **REJECTS THE PLAN**

Dated: April 25, 2014

GLOBAL GUIDANCE GROUP LLC

Signature: Mike Nelson

Printed Name: M. Nelson

Title: Member

Address: 428 Brightman Ave
N Las Vegas, NV 89004

CERTIFICATE OF SERVICE

Pursuant to Fed.R.Bankr.P. 2002 and LR 2002, I certify that on May 16, 2014, I deposited a true and correct copy of the foregoing through the:

CMECF System:

U.S. TRUSTEE - LV - 11
USTPRegion17.lv.ecf@usdoj.gov

United States First Class Mail to:

NATIVE ENERGY FARMS, LLC
1132 Castle Point Ave
Henderson, NV 89074

Coastal Band of the Chumash Nation
Attn: Venise Miller
4700 Arizona Ave
Atascadero, CA 93422

County of Santa Barbara
Treasurer - Tax Collector
PO Box 579
Santa Barbara, CA 93102

Dept. of Employment, Training & Rehab
Employment Security Division
500 East Third Street
Carson City, NV 89713

GLOBAL GUIDANCE GROUP, LLC
428 BRIGHT MOON AVENUE
North Las Vegas, NV 89084

Internal Revenue Service
PO BOX 7346
Philadelphia, PA 19101-7346

Kote Lotah
48825 SAPAQUE VALLEY ROAD
Bradley, CA 93426

NEVADA DEPT OF TAXATION
BANKRUPTCY SECTION
555 E WASHINGTON AVE

1 #1300

2 Las Vegas, NV 89101

3 Securities and Exchange Commission

4 Attention Bankruptcy Counsel

5 5670 Wilshire Blvd Fl 11

6 Los Angeles, CA 90036

7 SMI/ISC CORPORATION

8 Attn: Carrie Flodter - President

9 4295 S FORT APACHE

10 Suite 130

11 Las Vegas, NV 89147

12 State of NV Dept. of Motor Vehicles

13 Attn: Legal Division

14 555 Wright Way

15 Carson City, NV 89711

16 State of NV, Dept of Employment

17 500 E. Third Street

18 Carson City, NV 89713

19 /s/ Chris Craig

20 Law Clerk